

# **South Carolina Board of Economic Advisors**

## **Statement of Estimated State Revenue Impact**

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**Date:** January 24, 2008

**Bill Number:** S.B. 1026

**Author:** Jackson

**Committee Requesting Impact:** Senate Finance Committee

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### **Bill Summary**

A bill to amend Section 12-6-5060, as amended, of the Code of Laws of South Carolina, 1976, relating to the voluntary contribution of funds to various entities by a person on his state individual income tax return, so as to establish the Rural Crossroads Institute as an entity to which a person may make voluntary contributions and to provide that such contributions must be used to empower rural communities to implement best practices and shared solutions that promote economic development and growth.

### **REVENUE IMPACT <sup>1/</sup>**

This bill would have no effect on state or local revenue. Contributions to the Rural Crossroads Institute from the designation on the individual income tax return are an estimated \$30,000 annually.

### **Explanation**

This bill would amend Section 12-6-5060(A) to allow each taxpayer required to file a state individual income tax return to contribute to the Rural Crossroads Institute within the Department of Commerce. The contributions would be used by the Rural Crossroads Institute to empower rural communities to implement best practices and shared solutions that promote economic development and growth. This action would not increase or decrease the income tax liability of the taxpayer. This bill would collect an estimated \$30,000 annually to the Rural Crossroads Institute within the Department of Commerce. This estimate is based on first year contributions to new designations added to the individual income tax return in recent years. This individual income tax designation would first appear on individual income tax forms filed for taxable year 2008.

/s/ WILLIAM C. GILLESPIE, PH.D.

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<sup>1/</sup> This statement meets the requirement of Section 2-7-71 for a state revenue impact by the BEA, or Section 2-7-76 for a local revenue impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.